

THE POTASH SITUATION

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The total amounts of solids in the brines from the lakes usually run from 2 to 12 per cent.

The first plant built and the largest one now operating is that of the Potash Reduction company at Hoffland, thirteen miles east of Alliance. The men who constructed this plant have not lagged for an instant in keeping the production at the maximum of the potash industry in this country, deserve much credit for their enterprise in going ahead at a time when they were laughed at for their ideas. Had they not had the courage over three years ago to go ahead the valuable lakes might be still lying idle while the country suffered from lack of potash.

There are four large reduction plants now operating. They are: The Potash Reduction company at Hoffland. Largest of all plants with a capacity of more than one hundred tons of salts per day.

The Nebraska Potash company at Antioch, sixteen miles east of Alliance, with a capacity of fifty tons of salts per day at the present time. A new unit, almost completed, will increase its capacity to one hundred tons per day.

The American Potash company at Antioch. Capacity of the plant one hundred tons of salts per day.

The Hord Alkali Products company at Lakeside, 23 miles east of Alliance, with a capacity of about 100 hundred tons of salts per day.

It should be remembered that a production of 100 tons of salts per day means the boiling down of 1,000 tons of more of water, so the size of these plants can be imagined.

Plants in the course of erection are:

The Western Potash Co. at Antioch. This plant, altho construction was started at a comparatively recent date, is going up very fast and will soon be operating. It will have a capacity of more than 100 tons of salts per day and will include refining processes to some extent at least.

The National Potash company at Antioch. The construction of their buildings has been practically completed and the machinery is being installed. This plant will have a capacity of 100 tons of salts per day.

The Alliance Potash company at Antioch. This plant is almost completed and should be operating at a very early date. Its capacity will be 100 tons of salts per day.

The Standard Potash company at Lakeside. Work on this plant has just started. Its capacity will be 100 tons of salts per day.

Plants on which work has not yet started but which are planned, are:

The United States Potash company at Antioch. A plant is planned with a capacity of 100 tons.

The Antioch company at Antioch. A plant is planned with a capacity of 100 tons.

Testing is now being done on the immense Spade ranch, near Ellsworth. Good indications have been found there of potash and if it is located in sufficient quantities a large plant will be erected at Ellsworth to use the brine from this ranch, owned by Richards & Comstock.

Testing is also going on on the Peterson lakes, south of Antioch. The preliminary work has been done for the organization of a company which will be formed if the tests show favorably.

At the present time several small plants, located away from the railroad, on the lake shores, are being erected. These plants will have a capacity of from one to ten tons of salts per day. The fuel will be hauled from the railroad to the plants and the potash from the plants to the railroad by means of motor trucks.

From the above it can be seen that the industry has not yet reached its maximum in western Nebraska by any means. By the end of 1918 the production for 1917 should be doubled. I look for the erection of probably a dozen small plants this summer in the sand hills on small lakes which are too isolated to be profitably reached by pipe lines.

Practically all of the potash lakes on private lands are now under either option or lease and means for producing potash from them are being provided as rapidly as possible. I therefore consider it absolutely essential that some means be provided without further delay for the working of the valuable lakes which lie on state school lands.

Lakes on the School Lands

Thruout practically all of western Nebraska, two sections out of each township—16 to 36, usually—are still the property of the state and under the control of the state board of educational lands and funds, directed by the state land commissioner. I consider it a very wise thing for a western man to hold this position and believe that the people of Nebraska, in selecting the present incumbent, who came from western Nebraska, chose a man who is thoroughly posted on the state school land proposition, and who understands the situation fully.

These schools lands are held by ranchmen mostly, whose properties are adjacent to the lands, by the leases known as "agricultural or grazing" leases.

A number of the school sections in the potash district have on them lakes which contain potash. Some of these lakes are small and of comparatively small value. Others, particularly the section known as the "Briggs section," north of Antioch, have lakes which are of much value

on them. It has been estimated that the "Briggs" lake contains from one to five million dollars' worth of potash.

Nebraska has no mineral laws. Former legislatures, never suspecting that within the borders of the state there would be found millions of dollars worth of minerals, gave no attention to the passing of laws pertaining to the minerals which might be found, either on public or private property. This is the reason for the controversy which has arisen over the granting of mineral leases on state school lands.

About a year ago W. S. Ridgell, of Lincoln, who had been closely watching the growth of the potash situation in western Nebraska, became convinced that the lakes on the school sections might contain potash. He and four associates therefore applied to the board of educational lands and funds for permits to prospect for potash on a number of sections on which lakes were located. The board ruled that they would be allowed the permits and within a specified time required them to limit their rights for development to one section for each individual. This they did and a lease was granted on one section for each individual. This lease called for a one-eighth (12 1/2 per cent) gross royalty on all potash and other minerals produced from said lands and the lakes thereon. The lease provided certain conditions laid down by the board. These conditions required a showing of good faith on the part of the individual, such as prospecting, development work, etc. I understand these leases are similar to those used by other western states—Wyoming, Colorado, Montana, etc.

Since the granting of the leases to Mr. Ridgell and his associates, leases have been granted to other individuals until a total of 227 had been issued. Only a small portion of these are on lands which have potash lakes, most of them being on lands which are in the districts in which oil is being prospected for. The terms are the same in all the leases and call for prospecting and development within a certain length of time. The prospecting must be begun within six months and the development work within one year of the date of the granting of the lease.

Not long ago one of the holders of an "agricultural" lease took the matter to court for the purpose of ascertaining whether or not the mineral rights to the land were held by the land were held by the "agricultural" leases or by the "mineral" leases granted by the board. The district court decided that the "mineral" leases were valid and that the holder of the "agricultural" lease had no right to the minerals. The matter was immediately appealed to the supreme court of the state. The court handed down a decision two weeks ago. Its decision was to the effect that the holder of the "agricultural" lease had no right to touch the minerals and that the state board had no right, under the existing laws, to grant "mineral" leases. In other words, the minerals were vested until legislation was enacted permitting the development of the minerals belonging to the state.

Governor Neville, therefore, in his call for a special session, included the following: "An act conferring upon the state board of educational lands and funds authority to execute mineral leases upon school lands and to validate leases previously executed."

The Potash Bill

Pursuant to the call and message of the governor a bill was drawn up covering the points on which legislation is needed and in accordance with the governor's call. This was introduced by Representatives Beal, Stearns, Lampert, Naylor, Norton, Tracwell, Bates, Fults, Craddock, White and myself.

The title of the bill which explains it in outline reads as follows: "For an act to provide for the prospecting for, and development of minerals, petroleum, gas, potash, and other valuable substances, found in public lands and waters of the state of Nebraska, and from lands heretofore sold by the state without conveyance of minerals and substances herein enumerated; to provide authority for the issuance of mineral permits and leases thereon; authorizing the adoption of rules for and by the board of educational lands and funds relative thereto and necessary for the execution of the purposes of this act; confirming and validating leases issued by the board of educational lands and funds; approving coordination with the conservation and soil survey; declaring meandered lakes, ponds and streams, and the beds thereof, to be public property; providing minimum royalties, and directing the disposition of the moneys derived from leases issued hereunder; defining certain acts as misdemeanors, and providing penalties; repealing section 5870, revised statutes of 1913, and to declare an emergency."

Applicants for Leases

The Nebraska legislature, in considering the potash bill, will find that the question will finally sift down to the proposition of "who will get the leases?" They will find that three different sets of claimants will appear, divid as follows:

First—the holders of the "agricultural" leases. The supreme court, as noted above, ruled that these leases gave no rights to the minerals but many of these men and their assigns feel that they are entitled to

first consideration in the granting of mineral leases, providing they are willing to pay as much as anyone else in the form of royalty and bonus. One or more of the companies now organized have been assigned the agricultural leases and if this contention was granted would secure the right to operate the lakes covered in that way.

Second—the plants now organized and being erected or the plants now operating. These claimants argue that they should be entitled to first consideration in view of the fact that they could pump the lakes without much delay, the main delay being that of running pipe lines from the plants of their pipe lines nearest. Some of the plants would be unable to give prompt operation because of the fact that they are tied up under contracts compelling them to operate exclusively on one combination of lakes, as long as that combination renders brine containing potash on a yaping basis. Others are not tied up this way under exclusive contracts and could, if they desired, give their efforts to the working of state lakes. Should the legislature decide that these people have the right to bid on and secure leases on the lakes, care should be taken that no one combination or organization be allowed to secure a monopoly on all of the lakes.

Third—The holders of the "mineral" leases granted by the board during the past year claim that these leases should be validated by the bill passed and in support of their claim argue that they have shown good faith in accepting the leases from the board, that they have gone ahead in good faith in prospecting and organizing for development; that they have paid into the state treasury money in the form of bonuses, one of them being as high as \$1,000 and filing fees; that they propose to organize a company of companies to operate exclusively on the state lands and that this plant or plants would render the state a much larger income because of this fact.

Representatives of all factions or sides concerned will be present and be heard at the open hearing on the bill Monday afternoon. My desire is that the legislature pass a bill giving the state a full and fair share of the potash and other minerals produced; that the returns begin to come in as quickly as possible and that the maximum production be assured. I have friends on all sides of the question and I desire special favors shown to none. Western Nebraska is today just beginning to experience a period of unprecedented development, not only in the potash production, but in agricultural and other lines. I am devoting my efforts towards the advancement of that end of the state and shall continue to devote my efforts towards that end. My desire in connection with the "potash bill" is that justice be done to the state, to the state board and officers, to the citizens who are interested, to the companies and individuals interested in the potash business, and to the people of western Nebraska who are with me in desiring for the development of that end of the state. The questions outlined above are for the legislature to decide and I believe that my fellow members, after giving full consideration to the facts outlined above, and to the testimony given before the committee at its hearings, will pass a law which will be for the best interests of the state of Nebraska and its people.

"LOYD C. THOMAS."

Any one who is able to subscribe to the third Liberty Loan and does not do so will not evade obligation to pay. He invites an unpleasant method of compulsion.

Roland Austin, of Chadron, aged 17 years, died very suddenly last week from an acute cold developing into pneumonia.

DRINK HOT TEA FOR A BAD COLD

Get a small package of Hamburg Brest Tea, or as the German folks call it, "Hamburger Brust Tee," at any pharmacy. Take a tablespoonful of the tea, put a cup of boiling water upon it, pour through a sieve and drink a teacup full at any time during the day or before retiring. It is the most effective way to break a cold and cure grip, as it opens the pores of the skin, relieving congestion. Also loosens the bowels, thus driving a cold from the system.

Try it the next time you suffer from a cold or the grip. It is inexpensive and entirely vegetable, therefore safe and harmless.

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When your back is sore and lame or lumbago, sciatica or rheumatism has you stiffened up, don't suffer! Get a 25 cent bottle of old, honest "St. Jacobs Oil" at any drug store, pour a little in your hand and rub it right into the pain or ache, and by the time you count fifty, the soreness and lameness is gone.

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